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- WALTON, S. and GILMAN, S. W. *Auditing and cost accounts*. Modern business, Canadian edition, vol. XI. (New York: Alexander Hamilton Inst. 1914. Pp. xx, 512.)
- WILLE, C. A. *Das System des Bucketshops*. (Berlin: Reimer. 1914. 2 M.)
- Bureau of commercial economics; industrial information by means of the cinematograph*. (Philadelphia: Thomson Pr. Co. 1914. Pp. 31.)
- Estimating, cost keeping and profit making in the plumbing, heating and sheet metal trades*. (New York: David Williams Co. 1914. Pp. 380.)
- How to advertise a bank*. (Chicago: A. W. Shaw Co. 1914. Pp. 128.)
- Standard oil stocks*. (Bayonne, N. J.: Oildom Mag. 1914. Pp. 80. \$1.75.)
- 1914 C. P. A. problems and solutions*. Part 1, *Pennsylvania*. Part 2, *New York*. Parts 3, 4, *Illinois*. (New York: Ronald Press. 1914.)

Capital and Capitalistic Organization

Corporate Promotions and Reorganizations. By ARTHUR S. DEWING. Harvard Economic Studies, Vol. X. (Cambridge: Harvard University Press. 1914. Pp. viii, 615. \$2.50.)

The results of a study of the organization and reorganization of nearly a score of large consolidations of industrial enterprises are given in this volume. It includes the history of the consolidation, analyzes the causes that led to reorganization, and states the results accomplished. Promotions and consolidations taken up are: the United States Leather Company, the Starch consolidations, the Glucose combination, National Cordage, Westinghouse Electric, National Salt, United States Realty, American Bicycle, American Malting, New England Cotton Yarn, the Cotton Duck consolidation, International Cotton Mills, the Asphalt consolidations, the United States Shipbuilding Company, the American Glue Company. The author has cut a wide swath through American industry; and might be criticised for attempting too much but for the fact that it was necessary to get a sufficient number of instances to generalize from, and for the further important fact that he has done it all so well.

The discussion of each consolidation may be considered a separate study from which he drew material for the general conclusions presented in the last three chapters. These are: The Promotion of Consolidations that have Undergone Reorganization,

The Conditions and Causes Leading to Reorganization, and Reorganization Expedients.

Among the causes for failure the difficulty of getting men of sufficient skill in management, who will diligently and loyally apply themselves to making a success of the enterprise, most impresses the reader. The evident care of the studies makes convincing Professor Dewing's repeated exposition of this difficulty. One might have anticipated the fiscal mistakes, especially the premature payment of dividends, or the payment of imprudently large dividends; one feels rather amazed at the moderation shown by the managers in the face of the opportunity to overburden with fixed charges. One would not have anticipated, however, that ability of the special kind required would be so difficult to get by the processes of selection available, and much less that under the morale of the situation such ability as was available should so seldom have been wholly loyal to the task undertaken.

Mr. Dewing sums up the causes for failure of these promotions as (1) diffusion of responsibility, (2) lack of knowledge of individual employees, (3) lack of loyalty of officers and directors, (4) lack of attention to the laborious parts of the business by the higher officials, (5) prejudice of customers against improved methods, (6) prejudice of customers against "trusts."

In a footnote the author gives his statement of the case of government control against competition. He says:

The only excuse for the substitution of governmental regulation for competition among large industrial units is the resulting efficiency of production. . . . Nothing seems so effective as a spur to efficiency, whether in business, art, or professional work, as the spur of competition. It is psychologically impossible for a man to race against himself, except for short periods and under special conditions. The presence of actual or potential competition is the only sufficient spur for long-sustained effort at the highest pitch of effectiveness.

If "efficiency of production" includes efficiency of distribution, it is presumably the chief though possibly not the only excuse for governmental regulation. One who has a realizing sense of the enormous losses of competition may well feel a little discouraged that the only alternative is a worse evil. Professor Dewing might have some difficulty in really convincing that competition, impliedly for personal pecuniary gain, affords the only impulse to excellence.

It would be rather unfair to single out a footnote for so much attention if the very fact of the relegation of this direct issue to

a footnote did not itself indicate the truth-seeking, uncontroversial nature of the body of the work.

HASTINGS LYON.

NEW BOOKS

GERMANICUS, A. *Deutsches Petroleum-Monopol und Welt-Petroleum-Markt.* (Berlin: Verlagsanstalt Politik. 1914. Pp. 53. 0.80 M.)

KLEIN, H. H. *Standard oil or the people; the end of corporate control in America.* (New York: The author. 1914. Pp. 134. 50c.)

LIEFMANN, R. *Cartells et trusts.* Translated from the second German edition, by S. BOUYSSY. (Paris: Giard et Brière. 1914. Pp. 266. 5 fr.)

LOUGH, W. H. *Corporation finance.* Modern business, Canadian edition, vol. VI. (New York: Alexander Hamilton Inst. 1914. Pp. xviii, 551.)

To make this work more serviceable in Canada, Professor Lough has taken into collaboration Mr. Field, editor of the *Monetary Times* (Toronto). The latter contributes about 65 pages additional matter dealing more particularly with short-time loans, combinations, selling securities, reports, and reorganizations, all of which have characteristic Canadian earmarks. A few chapters have been revised improving the general text. This new edition, however, omits the chapter on the United States Steel Corporation.

PAPROTH, H. *Die jüngsten Vorgänge auf dem internationalen Petroleummarkt in ihrer Bedeutung für das Deutsche Reich.* Finanzwirtschaftliche Zeitfragen, 11. (Stuttgart: Enke. 1914. Pp. 73. 2 M.)

PARKER, J. S. *The corporation manual.* Eighteenth edition. (New York: Corporation Manual Co. 1914. Pp. xiv, \$10.)

SCHMIDT, E. *Die Voraussetzungen eines deutschen Leuchtölmonopols.* (Berlin: Springer. 1914. Pp. vii, 63. 1 M.)

SEABROOK, A. H. *The management of public electric supply undertakings.* (London: Electrical Times. 1914. Pp. 192. 7s. 6d.)

STRIEDER, J. *Studien zur Geschichte kapitalistischer Organisationsformen.* (Leipzig: Duncker & Humblot. 1914. Pp. xxix, 486. 12 M.)

Commission telephone cases. (New York: Am. Tel. & Tel. Co. 1914. Pp. xxix, 1061.)

General laws of Massachusetts relating to railroad corporations, street railway companies, electric railroad companies, telephone, and telegraph companies, steamboat and express companies. (Boston: Public Service Commission. 1914. Pp. xxxi, 387.)